

**Introduced by Senator Emmerson**

February 22, 2013

---

An act to amend Section 56430 of the Government Code, to add Section 116453 to the Health and Safety Code, and to amend Section 2709 of the Public Utilities Code, relating to drinking water.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 772, as introduced, Emmerson. Drinking water.

(1) Existing law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adoption of enforcement regulations, and conducting studies and investigations to assess the quality of water in domestic water supplies.

This bill would require the department or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission.

(2) Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, each local agency formation commission is required to develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere of influence, and requires the commission, in preparing and updating spheres of influence, to conduct a service review of the municipal services provided in the county or other area designated by

the commission. Existing law authorizes the commission, in conducting the service review, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, and authorizes the commission to include a review of whether the agencies under review are in compliance with the California Safe Drinking Water Act, as specified.

This bill would require the commission to request information, as part of a service review, from identified public or private entities that provide wholesale or retail supply of drinking water, and would require the information submitted to include the identification of any retail water suppliers within or contiguous to the responding entity for the purpose of aiding the commission in creating a comprehensive review of retail water suppliers in the county. This bill would also require the commission to provide a copy of its sphere of influence review for retail private and public water suppliers to the Public Utilities Commission and the department.

(3) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law authorizes the Public Utilities Commission to require any water corporation to file with the Public Utilities Commission a statement in writing defining and describing the lands and territory to be supplied by the corporation with water.

This bill would require the commission to require the above-described statement, and would require the statement also to be filed with the local agency formation committee for the county in which the water corporation is located.

(4) By imposing additional duties on local officials this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. The Legislature finds and declares all of the  
2 following:

3     (a) Californians are dependent on public and private entities to  
4 deliver clean and safe drinking water. Public and private water  
5 companies provide an essential public service.

6     (b) While the state's goal is to ensure clean and safe drinking  
7 water, some public water systems suffer poor water quality that  
8 fails to meet safe drinking water standards.

9     (c) Private corporations and persons that, own, operate, control,  
10 or manage a system for production, generation, transmission, or  
11 furnishing of water, other than mutual water companies, are public  
12 utilities subject to the jurisdiction of the Public Utilities  
13 Commission. These regulated utilities are required to provide the  
14 Public Utilities Commission with a statement describing the  
15 territory served by the utility.

16     (d) Mutual water companies are required to submit to the local  
17 agency formation commission for its county a map depicting the  
18 approximate boundaries of the territory served by the mutual water  
19 company.

20     (e) Public agency water suppliers are required to submit to the  
21 local agency formation commission a description of their  
22 boundaries and service areas.

23     (f) The State Department of Public Health, as part of its  
24 regulatory oversight of public water systems and state small water  
25 systems, collects information from each system, including its  
26 address and telephone number.

27     (g) The Legislature has identified a need to have greater  
28 coordination between the local agency formation commissions,  
29 the Public Utilities Commission, and the State Department of  
30 Public Health in identifying public water systems and state small  
31 water systems for purposes of planning, assuring regulatory  
32 oversight by the appropriate entity, and compliance with regulatory  
33 requirements. Accordingly, this legislation is designed to require  
34 that a local agency formation commission, the State Department  
35 of Public Health, and the Public Utilities Commission share with  
36 each other the identity and other appropriate information of public  
37 water systems and state small water systems within their  
38 jurisdiction.

SEC. 2. Section 56430 of the Government Code is amended to read:

56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

(1) Growth and population projections for the affected area.

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

(3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

(4) Financial ability of agencies to provide services.

(5) Status of, and opportunities for, shared facilities.

(6) Accountability for community service needs, including governmental structure and operational efficiencies.

(7) Any other matter related to effective or efficient service delivery, as required by commission policy.

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. The commission may assess various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.

(c) In conducting a service review, the commission may include a review of whether the agencies under review, including any public water system as defined in Section 116275, are in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12 of Division 104

of the Health and Safety Code). A public water system may satisfy any request for information as to compliance with that act by submission of the consumer confidence or water quality report prepared by the public water system as provided by Section 116470 of the Health and Safety Code.

(d) The commission ~~may~~ *shall* request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code. *The information submitted shall include the identification of any retail water supplier within or contiguous to the responding entity for the purpose of aiding the commission in creating a comprehensive review of retail water suppliers in the county.*

(e) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or 56426.5 or to update a sphere of influence pursuant to Section 56425.

(f) *The commission shall provide a copy of its sphere of influence review for retail private and public water suppliers to the Public Utilities Commission and the State Department of Public Health.*

SEC. 3. Section 116453 is added to the Health and Safety Code, to read:

116453. The department or the local health agency, where applicable, annually shall provide the following:

(a) The address and telephone number for each public water system and state small water system to the Public Utilities Commission.

(b) The address and telephone number for each public water system and state small water system in a county to the local agency formation commission for that county.

SEC. 4. Section 2709 of the Public Utilities Code is amended to read:

2709. (a) The commission ~~may~~ *shall* require any water corporation to file with the commission a statement in writing defining and describing the lands and territory to be supplied by the corporation with water.

1     **(b)** *A water corporation shall also file the statement described*  
2 *in subdivision (a) with a local agency formation commission*  
3 *formed pursuant to Division 3 (commencing with Section 56000)*  
4 *of Title 5 for the county in which the water corporation is located.*

5     SEC. 5. If the Commission on State Mandates determines that  
6 this act contains costs mandated by the state, reimbursement to  
7 local agencies and school districts for those costs shall be made  
8 pursuant to Part 7 (commencing with Section 17500) of Division  
9 4 of Title 2 of the Government Code.